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SUBJECT: Vietnam Station Comments on 14 December 1967
OCI Analysis "Situation in Vietnam"

1. It is certainly true that the new administration seems "chiefly concerned with its own internal organization and relationships." Lacking a pre-inaugural party organization which always gives a certain embryonic discipline to a winning ticket and having been collected somewhat hastily after some jockeying on the prime ministership, it is not too surprising that this youngish, technically able but politically inexperienced cabinet should be concerned about internal organization. "Relationships" are indeed unduly and unfortunately a preoccupation because of the Thieu/Ky/Loc triangle. The lines between the points of the triangle are blurred at best and frequently broken.

2. Regarding the failure to develop "promising new programs": Thieu's inaugural and Loc's post inaugural speeches and press conferences provided a fair and sometimes eloquent statement of national goals. Programs of course need to be devised and implemented whereby these goals can be pursued on a day to day basis. We understand [redacted] that each ministry has sent operational programs to Prime Minister Loc's office where they reside for the time being. Several important areas of concern are on the Agenda for the Council of Ministers' meeting on 28 December 1967 to be presided over by the President. Presumably specific policies and programs for these areas will be discussed in that forum at that time.

3. Moving to ref A point on the "unsettled feud between Thieu and Vice President Ky" we wonder if "Feud" is really the right word connoting as it does constant and unrelenting, if not violent conflict. Surely there is

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no affection between the two men to say the least and perhaps only small doses of grudging respect but Ky is "correct" in his attitude. Moreover, as the OCI analysis observes, he is not deliberately or actively sabotaging the administration. The trouble resides more in the respective entourages jealous of their backstage power or inhibitions thereon and almost totally lacking in effective communication with each other.

[redacted] out of these entourages comes an impulse to each of the two main actors promoting inaction in anticipation of some kind of political crisis which would rebound to the advantage of either Thieu or Ky depending on the precise circumstances. Either Thieu would be forced to seek Ky's assistance and give him more power in order to stave off developing public and/or military pressures, or Thieu would remove Loc, placing the failure on Ky's insistence on Loc's appointment plus Ky's lack of evident cooperation and place his own man in the Prime Minister position.

4. The devil theories are hard to pin down. Long a part of the Vietnamese way of thinking about politics (and not strange to our own) we cannot dismiss them entirely. Still our on balance feeling is that both Thieu and Ky (and for that matter Loc) are more likely behaving themselves as they are for psychological and personality reasons than according to Machiavellian designs.

[redacted] By his own admission he is a "prudent" man and prudence often produces postponed decisions and avoidance of risks rather than action and acceptance of same.

[redacted] Like Loc he has limited relevant experience for his current role and is feeling his way. Loc is apparently striving to understand the requirements of the job but by training and inclination is overmeticulous, is studying every angle. Lacking a clear line from either his political benefactor Ky, or his governmental chief Thieu, Loc seeks but does not find adequate guidance and support from any quarter. General Loans's distrust and even hostility must be evident to him and thus Loc shys away from tough personnel or policy moves likely to antagonize this rather special corner of South Vietnamese power.

5. [redacted] with the [redacted] Minister Do and the top brass generally

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had been almost totally preoccupied lately with countering the Viet Cong moves at the United Nations and alleged American moves vis-a-vis the Viet Cong in Saigon. The latter issue is tied to the more pervasive soul searching underway on the American role in this country and, more directly, to real differences of opinion in high and low places on how to prosecute and resolve the war. While our concern over these issues need not halt the wheels of policy and program development, a certain amount of political energy is consumed in their fires.

6. The OCI analysis refers to a "rising tide of resentment from certain military officers." Once again the choice of words misleads. General Loan does resent this government and its apparent flexible orientation toward the Communist and the American role. However he does not really fear "loss of prerogative." General Khang resents this government because he believes in a benevolent dictatorship in wartime and doubts that the government can or will make good on anti-corruption and other promises. The several generals inside the administration such as the two Viens, Vy, Thang, Tri, all have widely varying attitudes and interests. Some are themselves part of the current establishment. Others like Thang appear impatient for quite opposite reasons. Down the line many field grade officers do stand to lose authority or even their jobs as province chiefs if the government moves in promised directions. We would call the "rising tide of resentment" a spreading circle of concern and apprehension.

7. Cited failures of the National Assembly to move more quickly into the legislative phase disturbs and surprises us least. For all practical purposes these people are starting from scratch. No legislative body can legislate without rules, internal organization and leadership. These things do not spring full blown from the head of any assemblyman or group. The two houses have been deliberately but steadily working them out. There is a sense of participation in the process and experience has been gained. The critical debates on mobilization and handling of political prisoners have not been without merit or impact. Unable to process legislation for good reason, these manifestations of the Legislature's concerns suggest a certain healthy feeling of independence presumably desired by promoters of Democracy for South Vietnam. Key pieces of legislation are indeed required and they are not polished up and ready for display. Again we could not have expected this

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to be done. We predict that legislation will be duly drafted and processed in the coming months not as rapidly as we would like but in a manner consistent with local realities.

8. The process of bloc formation is going badly and reflects familiar divisive even selfish characteristics of Vietnamese politicians. But the wheelings and dealings are being played out somewhat in a vacuum with no issues to focus on and with few votes around which to develop consensus and cooperation. Hopefully blocs will be built by the cement of a working legislative session.

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9.

[REDACTED]

[REDACTED] after twenty-five years of war and promises and a parade of governments the people are cynical and suspicious of any new government, even one elected by themselves. There was no real air of expectancy in the country last Fall. Watchful waiting perhaps, and when the government does begin to do things for the people that they can feel and understand there could even be rising enthusiasm. In short the high expectations of early November may have been mostly in the minds of anxious Americans.

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